Gate Review Process

presented at DODCAS 2009 DON Session

CAPT Jim Baratta

Deputy Director, NCCA

Gate Review Process Overview

- Purpose
  - improve *governance* and *insight*
  - ensure *alignment* between **capability requirements** and **acquisition**
  - improve senior leadership *decision making*
  - gain *better understanding* of **RISKS** and **COSTS**

- Objectives
  - endorse or approve key JCIDS and acquisition documents
  - facilitate decisions regarding capabilities and material solutions

- 2-Pass, 6-Gate Process
  - address Requirements and Acquisition governance respectively
  - EVERY GATE reviews program health – **cost, risks, budget**

Gate Review Board
Membership

- Principal (voting) members
  - CNO / CMC / VCNO / ACMC
  - ASN (RDA) / PDASN
  - ASN (FM&C)
  - OPNAV N8 / HQMC DC P&R and DC CD&I
  - Appropriate SYSCOM Commander
- Advisory (non-voting) members
  - Resource Sponsor, CHSENG
  - N80, N81, N091, FMB
  - Cognizant DASN
  - DASN (C&E)
- Attendance limited to Principal or Deputy (Flag/SES) plus one

Pass 1 Gates

- Gates 1, 2, and 3 "Requirements" Gates
  - Led by CNO or CMC
  - Starts prior to Material Development Decision, ends after Gate 3
  - Leads to:
    - Approving the ICD
    - Approving AOA guidance
    - Selecting an AOA "optimal" alternative
    - Approving a CDD
    - Developing a CONOPS
    - Approving System Design Specification (SDS) Development Plan

Pass 2 Gates

- Gates 4, 5, and 6 "Acquisition" Gates
  - Led by ASN(RDA)
  - Starts after Gate 3, ends after Milestone B (initial EMD phase)
  - Leads to:
    - Approving the SDS
    - Approving release of the RFP
    - Assessing readiness for production
    - Assessing sufficiency of the EVMS PMB
    - Assessing the IBR
  - Follow-on Gate 6's pre- and post-Milestone C and FRP DR
    - Serve as Configuration Steering Boards and review program health

Pass 1 – Requirements Gates

- Gate 1: Approval of the ICD
  - input: Service review of the ICD
  - brief: AoA assumptions, **cost constraints** and **life-cycle considerations**
  - outcome: Validates AoA guidance, authorizes to proceed to MSA phase

- Gate 2: Approval of the preferred alternative
  - input: Approved ICD, AoA, “sufficiently mature” MS-A documentation
  - brief: AoA assumptions, analysis, findings, preliminary TRL assessment
  - brief: **Projected life cycle costs for all AoA options**
  - outcome: Approves development of CDD and CONOPS for alternative

Pass 1 – Requirements Gates

- Gate 3: Approval of the Service CDD and CONOPS
  - input: Approved AoA, SDS development plan
  - input: Service review of CDD/CONOPS,
    - supports **LCCE** (employment, sustainment, training, manning, etc)
  - brief: **Initial independent cost estimate** & **schedule assessment**
  - brief: **Compare to PM estimates**
  - outcome: Approves the CDD/CONOPS, SDS development plan
  - outcome: Approves program to MS-A (or with MS-B preparations)

Pass 2 – Acquisition Gates

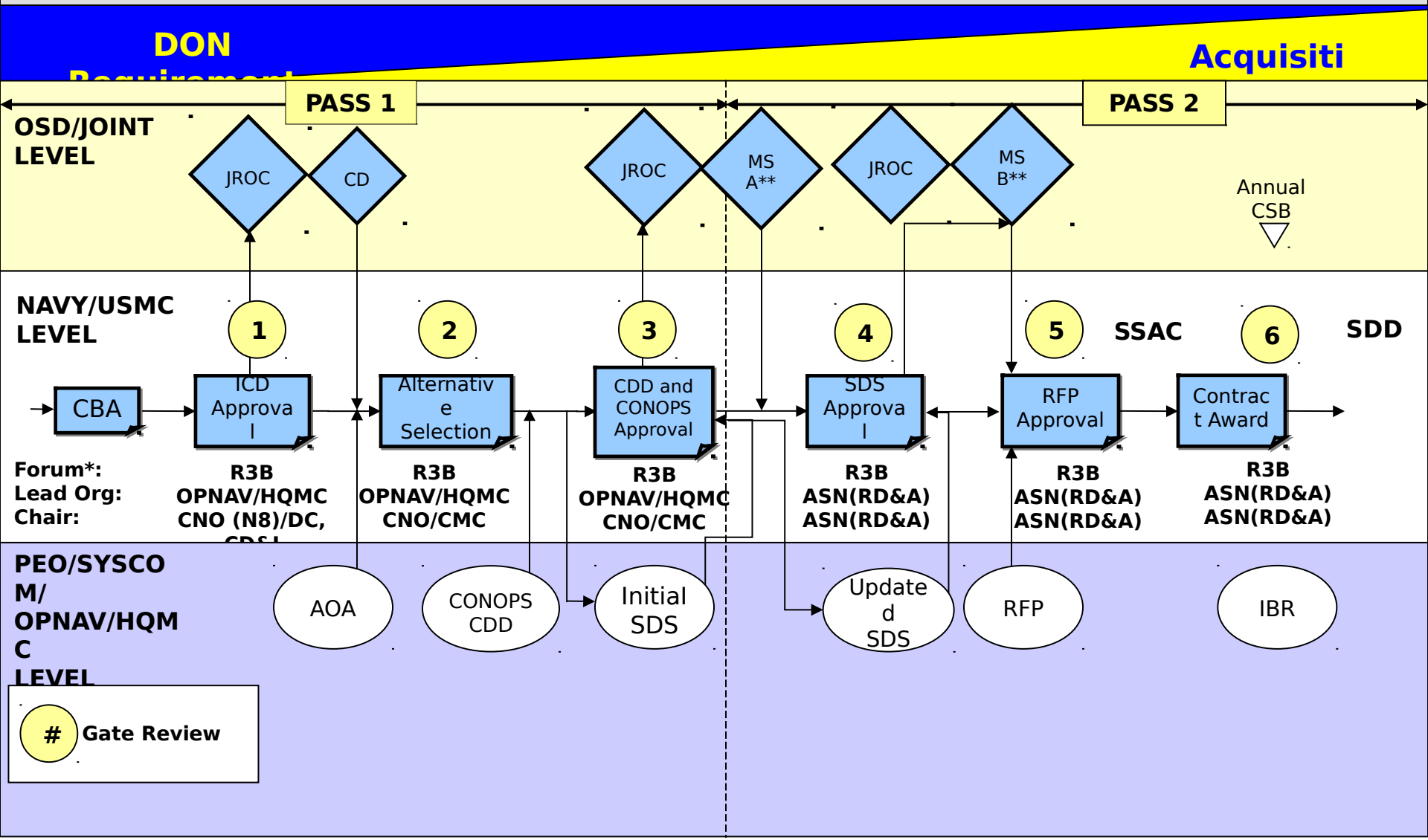
- Gate 4: Approval of the SDS
  - may be combined with Gate 5 and MS-B for ACAT IC/IAC/II
  - input: Approved CDD, CONOPS, and review of SDS
  - input: **Independent cost estimate**, **PM cost estimate**, budget
  - brief: **Capability**, **risk**, **independent/PM cost/schedule estimates**
  - outcome: Authorizes program to proceed to Gate 5 (or Milestone B)

- Gate 5: Approval of release of the RFP
  - may be before, concurrent with, or after MS-B
  - input: Approved SDS, key business elements in acquisition strategy
  - brief: Capability, **risk**, **independent/PM cost and schedule estimates**
  - outcome: RFP approval for release to industry

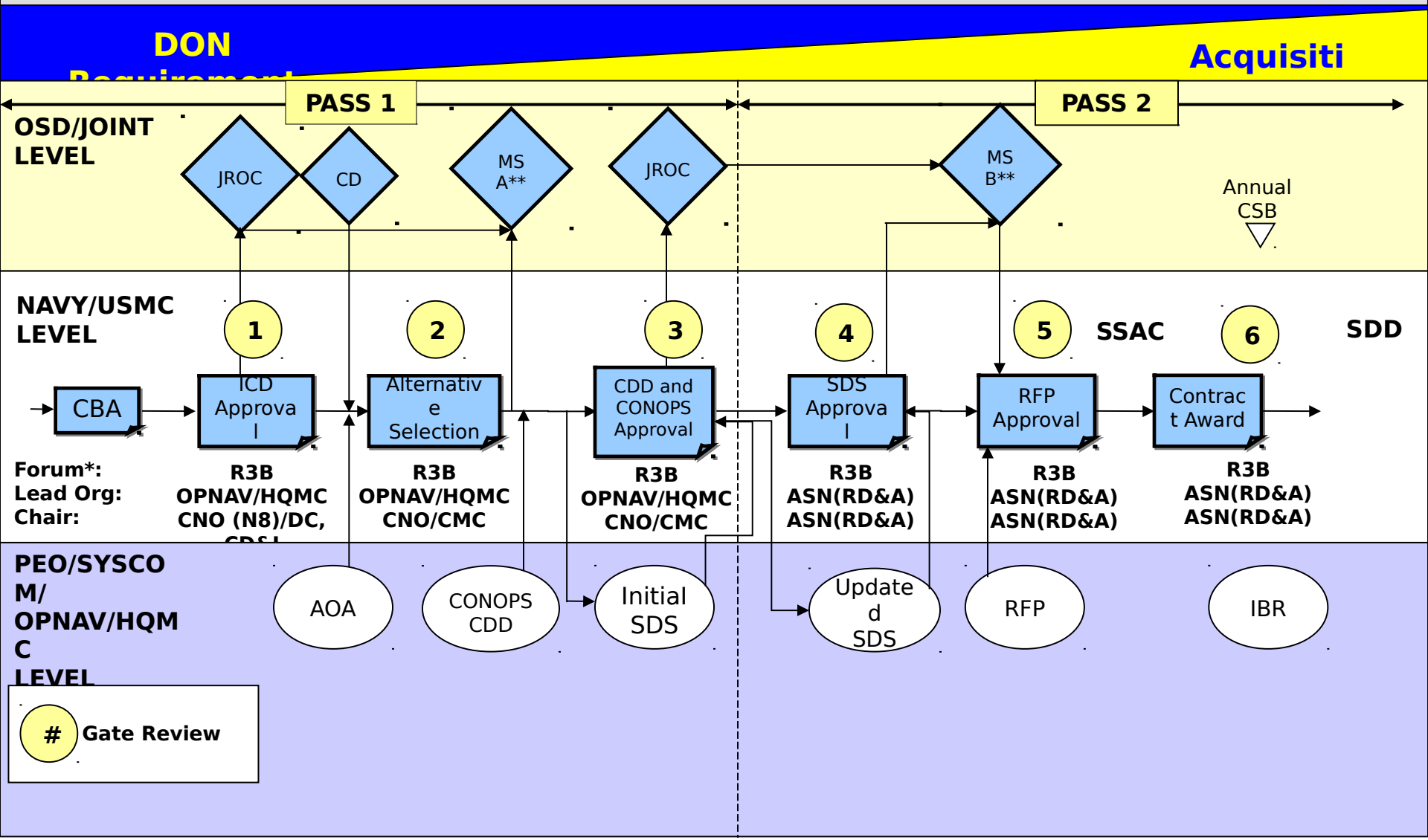
Pass 2 – Acquisition Gates

- Gate 6: Assesses readiness for production
  - occurs after contract award and IBR completion
  - input: Source Selection completed, contract awarded, IBR completed
  - brief: Capability, **risk**, **independent/PM cost and schedule estimates**
  - brief: Assesses IBR results, sufficiency of the SDS and EVMS PMB (EAC)
  - outcome: follow-on Gate 6 reviews prior to and post MS-C, FRP DR

- Gate 6 follow-on: Pre-LRIP, Pre-FRP DR
  - "as needed" tailored approach
  - specific elements undefined in SECNAV 5000.2, same as Gate 6

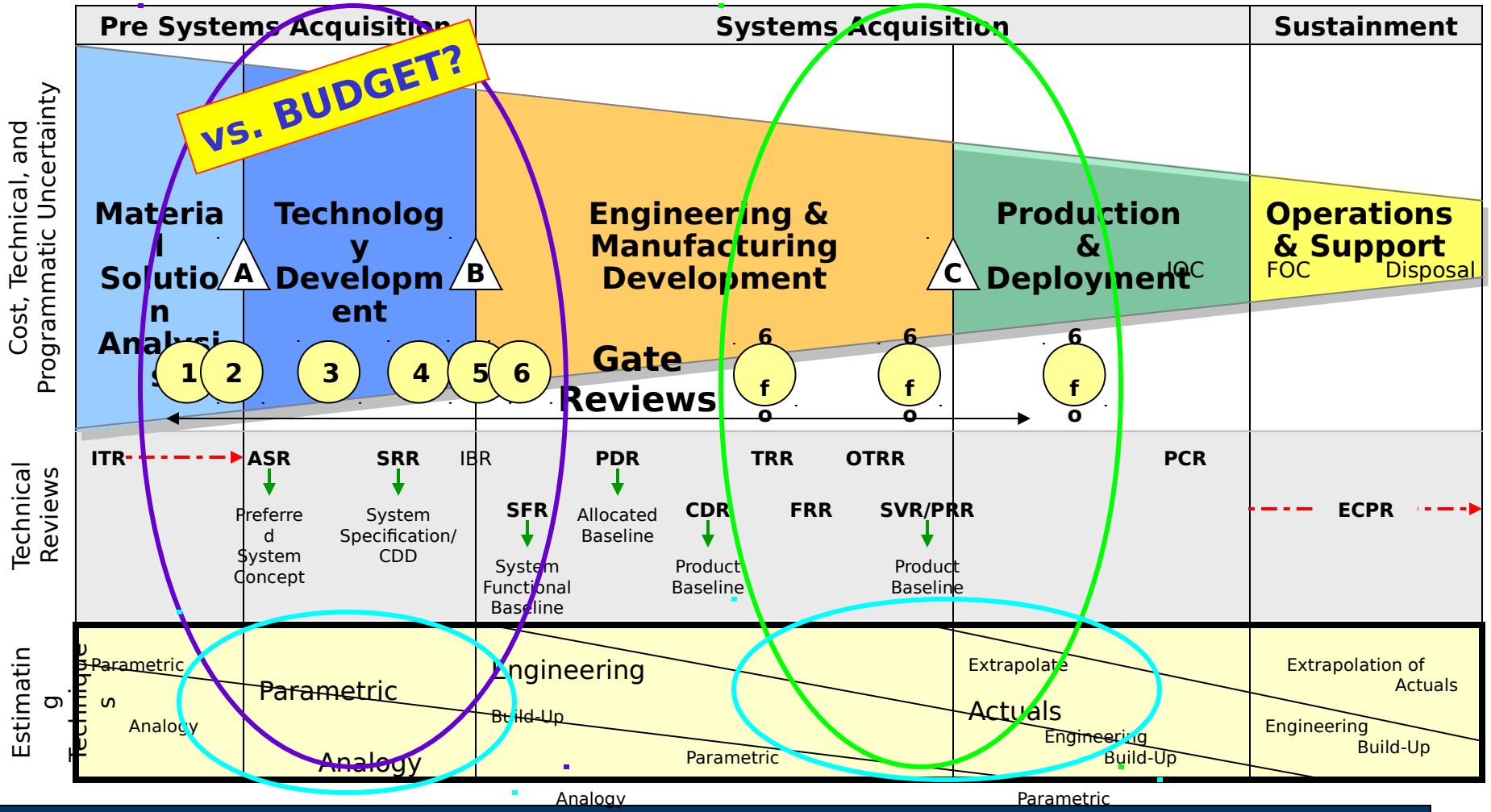


Illustrated example for program initiation at <u>Milestone A</u>



Illustrated example for program initiation at <u>Milestone B</u>

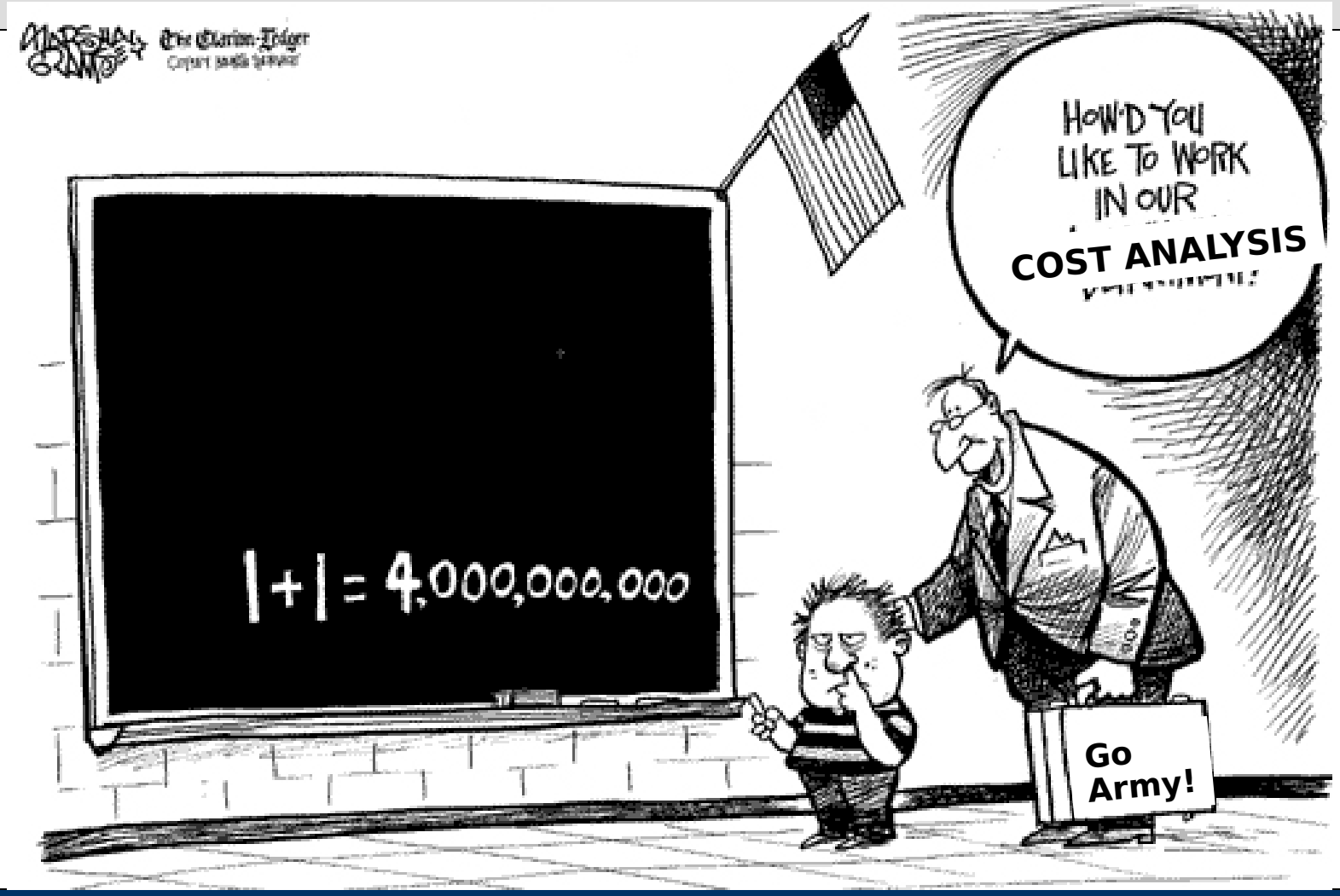
Program Cost Uncertainty Over Time



Gate Review Process
Potential "Cost Community" disconnects?

- How often are the program's definition and bounds changing during the pre-MS-B timeframe?
- What reliable data is available to estimate a program this early in its acquisition life cycle?
- What documents are complete and approved leading up to each Gate?
- To what extent are CAIV decisions still being made prior to RFP release?
- Do "best practice" estimating methods allow significant cost estimate confidence at this point?
- As the estimate progresses, in what "ballpark" should the estimate's upper bound of range be expected to cover potential costs into MS-B?
- How will the range and estimates be used to program a budget at this early phase in the program?
- What value does an independent assessment add in the early "requirements" Gates?

Questions?


HOW'D YOU LIKE TO WORK IN OUR COST ANALYSIS
1+1 = 4,000,000,000
Go Army!

Cost Estimate Confidence thru Pre-MS-B Phase of Programs